

Refinery Rules

Governing Board Retreat
March 9, 2017



Background

- Four proposed rulemakings that will affect refineries
 - Proposed Amended Rule 1118 – Refinery Flares
 - Proposed Rule 1180 – Refinery Fenceline and Community Monitoring
 - Proposed Rule 1410 – Use of Hydrogen Fluoride at Refineries
 - NO_x RECLAIM



EPA's Refinery Sector Rule

- December 2016 EPA finalized its Petroleum Refinery Sector Risk and Technology Review and New Source Performance Standards
- Two major elements in EPA's Rule:
 - Eliminate smoking flare emissions and upset emissions events
 - Continuous monitoring of benzene concentrations at fenceline of refineries
- Some provisions more stringent than SCAQMD existing rules
- Need to harmonize – incorporate provisions in SCAQMD rules
- Implementation timeframe: 2018

Proposed Amended Rule 1118 – Refinery Flares

- Adopted in 1998 and amended in 2005
- Two phases proposed for rule amendments
- Phase I:
 - Require facilities to prepare Scoping Document to move towards Zero Planned Flaring Events
 - Incorporate EPA's provisions
 - Consider updates to Mitigation Fee structure
- Phase II:
 - Amendments based on Scoping Documents and Remote Sensing Pilot Program
- Schedule (Phase I): Summer 2017

Proposed Rule 1180 – Refinery Community and Fenceline Monitoring

- General Approach
 - Fenceline and community monitoring needed to quantify exposure to fugitive emissions from refineries
 - Harmonize with and improve upon EPA's Refinery Sector Rule
- Initial concepts
 - Real-time fenceline and community monitors
 - Real-time publicly accessible data, with alerting functions
 - Pollutants: Benzene and other toxic air contaminants (toluene, xylene, ethylbenzene)
- Schedule: November 2017

Proposed Rule 1410 – Use of Hydrogen Fluoride at Refineries

- General Approach
 - Phase-out the use of hydrogen fluoride at refineries
 - Affects two refineries: Torrance Refinery and Valero Refinery
 - Key aspects
 - Phase-out schedule
 - Alternatives to hydrogen fluoride alkylation
 - Socioeconomic and environmental (CEQA) analyses
- Schedule: December 2017

Regulation XX - NOx RECLAIM

- 2017 AQMP includes a control measure CMB-05
- Consideration of sunset of NOx RECLAIM program
 - Objective is to maximize emission reductions and create more regulatory certainty
 - Electrical Generating Facilities (EGFs) are first facilities that have been given the option of exiting the NOx RECLAIM program
 - Evaluate options to transition other facilities, including refineries, into a command and control regulatory structure
- Convene NOx RECLAIM re-assessment working group in Spring 2017
 - Examine functionality, benefits and challenges of RECLAIM program
 - Options for orderly transition to command and control
- Schedule: TBD